

Prospectus

**Miramichi Shipbuilders
Limited.**



HEAD OFFICE:
CHATHAM, N. B.



507

PROSPECTUS

OF

Miramichi Shipbuilders Limited

Authorized Capital	\$300,000
Capital stock to be issued	\$100,000

Par value of shares \$100 each.

HEAD OFFICE, CHATHAM, N. B.

A golden opportunity to invest in a sound business proposition with every prospect of large returns.

Also to create a new industry on the North Shore, and develop our natural resources and keep our men at home.

Also to come to the aid of the British Empire at this critical time when a successful issue of the war depends entirely upon ocean tonnage.

Hon. C. M. Barnes of British War Cabinet "The winning of the war depends on the output of ships, which must be built in large numbers still if it was desired to come satisfactorily through the next few months. The present situation," the speaker continued, "was unsatisfactory. The January output had been less than half what it had been expected it would be and the February result was no better while the United States was failing Great Britain as far as shipbuilding was concerned."



Miramichi Shipbuilders Limited

Capitalized at \$300,000.00.

OBJECT OF COMPANY

This Company is formed to build wooden motor ships and wooden sailing ships on the Miramichi River.

CHARTER

A Charter of the Province of New Brunswick is being obtained giving the Company power to issue the above amount of stock if desired. However it is expected that not more than \$100,000.00 of this stock will be paid in, as the demand for ships is so great that ship-brokers are paying 15 p.c. of the purchase price of a ship upon the signing of a contract, 15 p.c. when the keel is laid and so on until completion.

SUBSIDY

The Governments of the Provinces bordering on the Atlantic and Pacific Coasts as well as the Crown Colony of Newfoundland are all subsidizing ship-building. It is also expected that the Federal Government will pass Legislation this winter pertaining to the subsidizing of ship-building in Canada.

SITE

It is proposed to organize and equip a shipbuilding yard on the Municipal Wharf in the Town of Chatham. When the shipbuilding Industry was thriving in this locality, many schooners were launched at this Site. The wharf is 250 ft. long from the outer face to the Government Railway at the rear, and 200 ft. wide, while there is a large area between the Railway and the street. There is also a railway siding on the wharf. Near by is the Dominion Government Wharf, use of which can be

obtained for storage purposes. The town has a day electric light service, which will probably be used to some extent, in operating the mill.

TIMBER LIMIT

Option on a very valuable timber limit dated March 1, 1918, has been secured from the Renous Bridge Lumber Company at a reasonable figure. This Limit has a large acreage of hard wood as well as a good supply of soft wood suitable for shipbuilding purposes. Most of the Shipbuilding Companies of today have found it advisable to purchase suitable timber limits, to which they can, at any time, send their men to procure the timber desired. In this way serious and costly delays are avoided while waiting for material etc. The Limits of this Company are situated along the bank of the South West Miramichi, and along the Canadian Government Railway, with an average haul of about two miles from either. The nearness of these limits to the Railway and the quick transportation to the yard, about 20 miles, make them especially valuable, also the short haul to the river bank for stream driving of the logs and towing in rafts to Chatham is a potent factor.

These limits include the soil right, that is, exclusive ownership of 2,200 acres of granted lands, a small portion of which is under cultivation, and 3,840 acres of leased land on which stumpage must be paid to the Crown.

TYPE OF BOAT

It is expected to lay down the keel for a 400 ton schooner at once. This should be launched in about six months, when two more will probably be laid down to be launched in the Spring. There have already been several inquiries for a three masted schooner of this size. A tender has also been submitted to the Imperial Munitions Board to build a 1,000

ton deadweight wooden cargo ship for the British Admiralty, but no definite reply has been received regarding this.

DEMAND FOR SHIPS

During the present month urgent appeals have been made by the British War Office and the British Admiralty to ship builders to put their backs to their work, claiming that ships must be built in still larger numbers if it was desired to come satisfactorily through the next twelve months. It was stated that the January and February output was less than half what it was expected in Great Britain, and that the United States was also falling behind in their estimates. At present there are but a few days supplies of provisions in Europe to feed the people of the Allied Nations, and serious times may follow if tonnage is not provided to carry supplies from the American Ports to Europe. The Revolution in Russia was primarily due to lack of food to feed the civil population in the larger centres of the country. The Italian Retreat of last Fall was also partly due to the whole Italian Army being put on short rations. Let it not be said that defeat on the Western Front be due to failure to feed the men on the firing line, or the people behind it, through lack of tonnage, while we, living in what was formerly called the home of the ship-building industry in Canada, make no effort whatever to relieve this shortage. It is estimated that there is at hand 1,000,000 tons of supplies for the Allies and the American Army abroad, awaiting shipment along the Atlantic seaboard. A dollar invested today in increasing tonnage is helping to win the war just as much as a dollar invested in Victory Bonds. For after all, was not a considerable portion of this Victory Loan devoted to establishing a mercantile marine in Canada and in building wooden cargo ships for the British Admiralty? These ships are being constructed mostly

in Ontario and Quebec and at the Pacific Coast, but as the output must be increased and new yards established, why not devote a portion of our surplus money into developing such an industry in this district which has such large timber limits, containing any amount of lumber suitable for ship-building, instead of shipping our lumber to ship yards in St. John and other parts of the country, as is now being done. During the past decade New Brunswick men and money have flowed freely to the West, while our towns have remained dormant or gone behind through lack of industrial development. It is now high time for a reversal of this state of affairs, so let us start an industry here and ask the West to co-operate.

The North Shore lumbering centres in New Brunswick are feeling seriously the shortage of tonnage to ship their output. The lumber operations in the woods this winter have only been about half the normal cut, and in nearly every mill yard there are large piles of lumber, purchased by the war departments of the Allied nations, but who cannot spare the tonnage necessary to transport it to Europe. Here are two concrete examples:

In 1915, 123 ships cleared from the Miramichi for trans-Atlantic ports with lumber, and 48 to American ports, while during the year 1917, only five ships cleared trans-Atlantic and 17 to American ports.

In 1916 from the port of Bathurst 30,000,000 F. B. M. of lumber was taken to European ports in 25 ships, while in 1917 one schooner called at this port with a cargo of molasses and carried a return cargo of lumber to an American port.

The prospects for boats to these local ports during the coming summer are not at all promising as additional tonnage must be diverted by Great Britain to transport, feed and munition the American Army. Estimates of the amount of tonnage necessary to keep an army supplied vary all the way from four

to seven tons in continuous service for each man engaged. To maintain an American Army of 1,000,000 men in France would require from 4,000,000 to 7,000,000 tons. But as she has in all services about 4,000,000 ton of shipping of which one-fourth is engaged in essential national industrial life, there is at present not sufficient American tonnage to meet her own needs.

SHIPBUILDING IN CANADA

Canada has as yet not fully realized the seriousness of the submarine menace and the depletion of the world's tonnage, judging from her slowness in taking up the shipbuilding program.

On the Atlantic Coast and in Ontario and Quebec there are 50 to 75 schooners, with an average tonnage of 400 register under construction. There are also 19 wooden cargo ships of 2,500 tons deadweight, under construction in Eastern Canada for the British Admiralty. On the Pacific Coast there are under construction at the present time 50 wooden boats, large and small, the largest being a six-masted schooner. On the Atlantic Coast one steel steamer has been launched and a second is under construction. On the Pacific Coast 5 steel steamers are under construction. In Ontario and Quebec about 20 steel boats are under construction, or have been launched, at the steel shipbuilding yards at Port Arthur, Collingwood, Toronto, and Montreal and Quebec.

SHIPBUILDING IN THE UNITED STATES

The United States declared war on the Central Powers of Europe on April 6th, 1917, and at once commenced to organize the resources of the nation on a war basis. Realizing that an increase of ocean tonnage had become a vital factor toward the winning of the war, the United States Emergency Fleet Corporation was organized to speed up the Shipbuilding activities. As a result there are available today 716 ways with a keel

laid down on each, whereas there were only 148 ways available in the previous year. Approximately 300 of these ways are for wooden shipbuilding.

WORLD SHORTAGE OF TONNAGE

The tonnage built in Great Britain last year was 1,100,000 tons, while the losses from submarine and other war perils was 3,300,000. During the same year the American ship-yards turned out 901,225 gross tons. The tonnage destroyed during the year amounted to 6,500,000, including neutrals. In United States figures showing the shortage of tonnage have been compiled by the executive board of the National Patriotic Societies, to win public support to an extensive programme of ship construction. According to these figures there is a present shortage of 7,400,000 gross tons, and 4,400,000 gross tons less than there were in 1914 useable for the Allies today.

It is estimated that 2,000,000 tons will be the maximum of shipbuilding to be expected from Great Britain in 1918, and that the output from the United States will not exceed 3,000,000 tons or a total of 5,000,000 tons which does not equal the loss from submarines during the first year of unrestricted submarine warfare.

ESTIMATED PROFITS

The profits that have been made in buying and selling ships and in carrying freights the world over since the war are beyond all description, and will not be dealt with here to any extent.

During the last three years many shipbuilding Companies in Nova Scotia have been organized and schooners built and sold at profits ranging from 25 p.c. to 50 p.c. If desired a contract can be secured at once for a boat, before the keel is laid down, although better profits are made by waiting until the boat is completed and ready for sea. The cost of building in these localities is about \$110.00 to \$120.00 per ton, while ship-brokers are offering freely to buy at prices ranging from \$160.00 to \$190.00 per ton. The rate on lumber to European ports before the war was about 40 to 50 shillings per standard, while today the rate is around 400 to 425 shil-

lings, and in fact tonnage cannot be obtained at almost any price. A clipping from a daily paper dated March 7, 1918, is as follows:—

“The large four-masted schooner William Nottingham has been chartered to load 1,000,000 feet of spruce lumber at St. John for a South African port. The rate is \$60.00 said to be the highest ever paid for transporting lumber to South Africa.”

PROFITS FROM LUMBER LIMITS

The profits from the lumber limits are equally attractive. The 3,840 acres of leased lands contain a considerable quantity of saw logs. The 2,200 acres of granted lands have been carefully cruised and are estimated to contain eight millions of saw logs and pulp wood. This could be put on the market to-day at a profit of \$10.00 per M. which alone would pay for purchase price of the property. But in addition to the lumber there is a stone quarry and equipment on the property, and a private telephone line, about 12 miles long; while farther down on the river is a Saw Mill with a new 100 H. P. boiler and 300 H. P. engine, and a lumbering outfit including 2 horses, office and mill property with buildings and a loading dock. There is also a portable mill and boiler which will be moved to the ship-building Site and very little additional expenditure will be required to equip the shipyard. This property of the Renous Bridge Lumber Co would be a very valuable asset for any ship-building company to control, and the stockholders of this company should seriously consider this option before it expires. They have also applied for an increase in their crown land lumber limits, to be granted next August when leases of many of the present holders of these lands expire, and from which a readjustment is to be made in favor of the smaller lumber operators.

The directorate of the company will be elected at once at a stockholders meeting. It will probably be composed of many of the large lumbermen and business men of the Towns of Chatham and Newcastle and of the Miramichi District.

Solicitor:

A. A. DAVIDSON, Newcastle, N. B.

Bankers:

Royal Bank of Canada, Newcastle, N. B.

THE GAZETTE PRESS



CHATHAM, N. H.